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# AGRICULTURAL OUTLOOK DIGEST

CURRENT SERIAL RECORDS

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Farmers, on March 1, indicated intentions of planting a total of 306 million acres for 1962 harvest. If plans are carried out, this year's acreage would be down 1.4 percent from 1961 and the smallest of record.

Some highlights of growers' intentions as of March 1.

- Tobacco farmers intend to plant the largest acreage of flue-cured and burley tobaccos since the mid-1950's.....These are the major tobaccos used in cigarettes..... Indications point to a little over 4 percent more acreage than harvested last year for flue-cured and 6 percent more for burley.

Acreage allotments for 1962 were increased 4.3 percent for flue-cured, the first increase since 1951, and 6 percent for burley. The increases are based on expectations of continuing rises in use of these tobacco types.

- Farmers intend to plant 11 percent less wheat this year than in 1961. The drop reflects acreage reductions under the 1962 Wheat Program.

- The combined corn and sorghum grain plantings in 1962 will be 84 million acres compared with 81 million in 1961 if growers carry out their March 1 plans. Barley plantings are expected to total 15.1 million acres, down 4.5 percent from the 15.8 million planted in 1961. Oats intended plantings at 31 million acres are down 6 percent from last year.

- Growers expect to plant 29 million acres to soybeans in 1962 -- 2 percent more than last year's record acreage.

LIVESTOCK--Red meat production in April is expected to be down from last year...with less beef, lamb, and mutton but slightly more pork. Output and prices probably will hold close to mid-March levels.

This year, from mid-January thru February, cattle slaughter dropped; prices rose -- but both averaged above year-earlier levels. In contrast, last year, slaughter and prices both declined because of weaker demand.

Hog slaughter has averaged above year-earlier levels since mid-January..... Prices, slightly below.....Reasons for slaughter increase are delayed marketings from last spring's crop and increased farrowings from the fall crop.



Outlook for hog prices this summer and fall has improved since last December. USDA's March pig crop report shows the 1962 spring pig crop to be up less than producers intentions indicated last December.

DAIRY--Milk output for January and February ran at an annual rate of about 128 billion pounds -- about a 2 percent increase over total output in 1961. This rate depends on continued favorable milk-feed and milk-beef cattle price ratios.

POULTRY & EGGS--Egg prices likely will be significantly lower in the second quarter of this year than last. Larger output and somewhat weaker storage demand are the chief contributing factors. In mid-March, farmers were receiving about 3 cents less for a dozen eggs than a year ago.

More turkey will be consumed than produced the first half of 1962 than in the same period of 1961. This ought to reduce cold storage holdings on July 1, when stocks are seasonally low, from mid-March levels. However, stocks are still likely to be above those of July 1961.

Broiler prospects in the second quarter do not appear favorable for producers. Marketings may be near last year's volume with prices dropping significantly.....but not as low as a year earlier.

FATS & OILS--Food fats and oil supplies will be record large through September.....mainly because of soybeans and soybean oil. Record exports probably will account for a new high in disappearance. However, a sharp increase in carry-over is still likely in October.

Soybean prices are expected to be a little above support (\$2.30 per bushel) until May 31 (CCC takeover date for beans under loan).....go up slightly when CCC sales begin next summer.....and back to the 1962 support levels of \$2.25 per bushel when the 1962 crop comes to market in September.

COTTON--Exports are expected to be considerably lower during the 1961-62 crop year than the 6.6 million bales of 1960-61.....This reflects a reduction in cotton consumption and stocks in the foreign free world.

FRUIT--More strawberries are expected to be marketed this year than last. Crops in Florida are indicated to be 58 percent larger.....In Louisiana, Alabama, and Texas up 31 percent.

Production of oranges is estimated 8 percent larger in 1961-62 than the previous marketing year with most of the increase in Florida. But grapefruit production is expected to be about 6 percent smaller, mainly because of freeze damage in Texas.

VEGETABLES--Farmers plan to cut early summer watermelon acreage about 2 percent, but slightly increase cabbage and onions.....Demand for processed vegetables likely will continue strong and prices for canned items into mid-year are expected to average about the same to slightly higher than 1961.....Frozen vegetable prices are expected to be about the same to slightly lower.